IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY PETITION No. 74 of 2006
In
COMPANY APPLICATION No. 240 of 2006
With
COMPANY APPLICATION No. 240 of 2006

For Approval and Signature:

HONOURABLE MR.JUSTICE M.R. SHAH

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1 Whether Reporters of Local Papers may be allowed to see the judgment ?

2 To be referred to the Reporter or not ?

3 Whether their Lordships wish to see the fair copy of the judgment ?

4 Whether this case involves a substantial question of law as to the interpretation of the constitution of India, 1950 or any order made thereunder ?

5 Whether it is to be circulated to the civil judge ?

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BABTIE CONSULTANTS (INDIA) PVTLTD. - Petitioner(s)
Versus
... - Respondent(s)

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Appearance :
MR AS VAKIL for Petitioner(s) : 1,
NOTICE SERVED BY DS for Respondent(s) : 1,

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CORAM : HONOURABLE MR.JUSTICE M.R. SHAH
Date : 26/09/2006

ORAL JUDGMENT

This is a petition filed by Babtie Consultants (India) Pvt.Ltd., under Sections 391 and 394 of the Companies Act, 1956 [for short

“the Act”] to obtain sanction of this Court to the scheme of amalgamation of Babtie Consultants [India] Pvt.Ltd., - the petitioner [for short “the Transferor Company” or “the petitioner Company”] with Jacobs H&G Pvt.Ltd. [for short “the Transferee Company”].

2. The petitioner company was incorporated on 18.12.1997 as a Private Limited Company in the office of the Registrar of Companies, Gujarat under the Act. Presently the registered office of the petitioner company is situated at Ahmedabad (Gujarat State).

3. The petitioner company was incorporated mainly to carry on the business of consulting engineers in civil, structural, geotechnical, environmental, precision, marine, heating, mechanical, light, heavy, motor, service, electrical, telecommunication, traffic, transportation, nautical, aero natural, gas, oil,

chemical and general engineering and of surveyors, quantity surveyors, project managers, technical and advisory consultants to the engineering industry, production planners and engineering technicals, designers, installers, servicers, developers, investigators, researchers and instructors of equipment, plant, tools and machinery and to engage in researches, investigations and experimental work and for other objects as enumerated in paragraph 3(ii) of the petition.

4. The Transferee Company was incorporated at Bombay in the State of Maharashtra. Both the Companies, i.e., the petitioner company as well as the Transferee Company are engaged at present in the business as consultancy engineers in various fields. Accordingly both the Companies, the Petitioner-Transferor Company as well as the Transferee Company are engaged in the same line of business.

5. With a view to synergize and explore the business interest of both the Transferor-Petitioner Company and the Transferee Company in most efficient and cost effective manner it was proposed to amalgamate the Petitioner-Transferor Company with the Transferee Company. The proposed amalgamation would become a good addition to the Transferee Company in terms of diversification. The combined entity would be able to offer the full basket of services and not restrict itself to infrastructure alone. The amalgamation would also result in cost reduction and optimization of resources and would improve financial health of the combined entity and thereby benefit all stakeholders including employees, business partners, suppliers and customers. For all the aforesaid reasons the proposed amalgamation has been sought to be sanctioned by this Court by way of the present Company Petition.

6. In view of the aforesaid, the Petitioner Transferor Company preferred before this Court, Company Application No. 240 of 2006 for directions to convene meetings/dispense with the same, under Section 391 of the Act. This Court by order dated 5.05.2006 for reasons recorded therein allowed the said Company Application No. 240 of 2006 and thereby exempted the Petitioner Transferee Company from convening the meetings as required under Section 391(2) of the Act. The meetings of the ordinary shareholders and creditors/class of creditors were dispensed with and consequently publication of notices of the proposed scheme and of the meetings was also dispensed with.

7. The Petitioner Transferee Company has thereafter filed before this Court the present Company Petition for obtaining sanction to the scheme of amalgamation. A copy of the said Scheme has been produced at Exh.A[Pages 13-33 of

the Petition. On 14.6.2006, this Court admitted the Petition and directed the notice of hearing to be advertised. Accordingly, the notice of hearing of this petition has been advertised in Indian Express, Ahmedabad Edition and Jansatta, Ahmedabad Edition in the edition dated 20.6.2006. An Affidavit of Publication dated 23.6.2006 is on the record.

Pursuant to the said advertisement, no objections have been received to the proposed amalgamation. In response to the notice issued to the Central Government, the Assistant Registrar of Companies, vide his affidavit dated 11.9.2006 has placed on record the Regional Director's letter dated 7.9.2006. In the said letter dated 7.9.2006 of the Regional Director it has been stated as follows;

> "With reference to your letter No. ROC/STAH/Amal/2006/1111 dated 31.8.06 on the above noted subject, I have to state that your report on the Company Petition No.

> 74 of 2006 in the Company Application No. 240 of 2006 has been examined in this Directorate and it has been decided not to oppose the said petition."

8. A statement is made on behalf of the Petitioner Company that the scheme at Exh.A is already sanctioned by the High Court of Judicature at Mumbai in the proceedings initiated by the Transferee Company. A certified copy of the said order dated 28.7.2006 is taken on record.

9. I have heard Shri AS Vakil, learned advocate appearing on behalf of the petitioner Company. Considering the averments in the Company Petition and the Affidavit on behalf of Regional Director dated 11.9.2006 and the letter dated 7.9.2006, and considering the fact that the scheme is already sanctioned by the Mumbai High Court in the proceedings initiated by the Transferee Company, and that ordinary shareholders and the creditors of the petitioner

Company have given their approval to the Scheme of Amalgamation of the Petitioner Company with the Transferee Company, and considering the proposed Scheme of Amalgamation, it appears to the Court that amalgamation would be in the interests of the Petitioner Company and their shareholders and creditors, and therefore the scheme of amalgamation of Babtie Consultants (India) Pvt.Ltd., with Jacobs H&G Pvt.Ltd., is sanctioned and the prayer in terms of Para 17 is hereby granted.

10. This petition is accordingly disposed of. So far as the cost to be paid to the learned Additional Central Government Standing Counsel, the same is quantified at Rs. 3,500 [Three Thousand Five Hundred] and the same may be paid

by the Company to Shri Malkan, learned Additional

Central Government Standing Counsel.

[M.R. Shah, J.]

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